



State of Arizona
Department of Education

Tom Horne
Superintendent of Public Instruction

School Finance
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School Finance Advisory Committee
Fiscal Year 2007

Monday, October 30, 2006

Logistics

Meeting Time

Please plan for a punctual arrival so the meeting can begin on time.

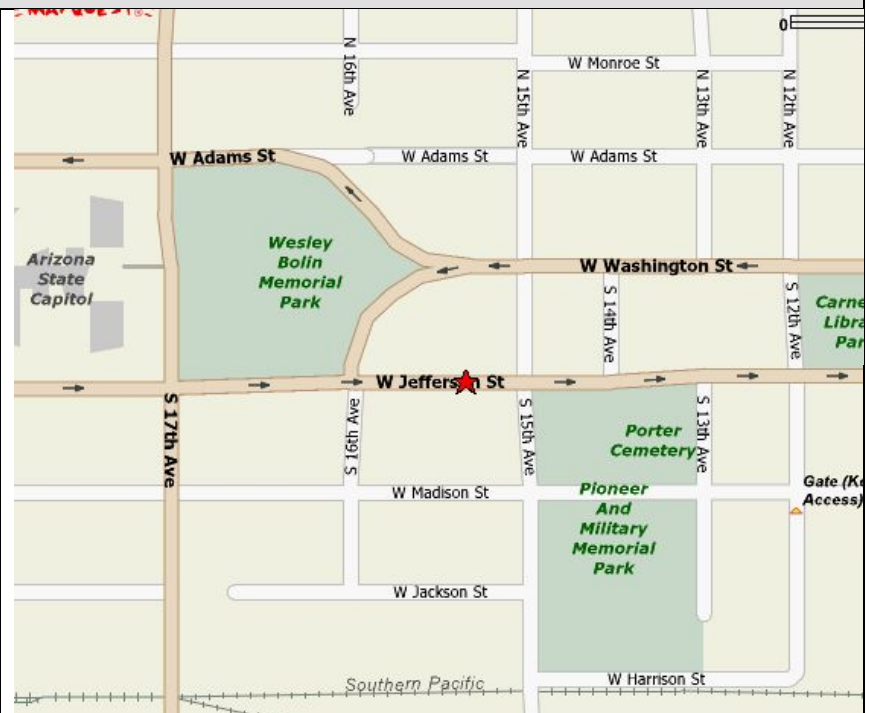
Meeting: 1:00 p.m. – 4:00 p.m.

Meeting Location

AZ Dept. of Education
1535 West Jefferson Street
4th Floor Conference Room (417)
Phoenix, Arizona 85007

ADE Contact Info

Jill Heikkila
SFAC Project Coordinator
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School Finance Unit
Arizona Department of Education
1535 W. Jefferson, BIN 13, Phoenix, AZ 85007
Phone: 602-542-5695 Fax: 602-542-3099



School Finance Advisory Committee
Fiscal Year 2007

Meeting Agenda

General		Start Time	Stop Time
Date	Monday, October 30, 2006	1:00 pm	4:00 pm
Location	AZ Dept of Education, 1535 W. Jefferson, 4th Floor Conference room (417), Phoenix, AZ 85007		

Members			ADE Staff
Ms. Patricia Beatty	Ms. Rita Leyva	Mr. George Ritchie	Bonnie Betz
Mrs. Lana E. Berry	Mr. Scott Little	Mrs. Adrienne E. Sanchez	Paul Carolan
Mr. Daniel D. Bigler, CPA	Ms. Karen Mejia	Dr. Elizabeth M. Sanders	Bob Dohm
Mr. Mark E. Busch	Mrs. Lucia Marrufo	Mrs. Vickie L. Simmons, CPA	Teddy Dumlao
Ms. Marcie K. Celaya	Mr. Brian L. Mee	Dr. Kenneth A. Smith	Harold Frederick
Mr. Paul Christensen	Ms. Montie Morris	Mr. Fred A. Stone III	Lyle Friesen
Mr. Kent DeYoung	Ms. Linda F. Munk, M.Ed	Mr. Roger Studley	Dolores Gerritse
Ms. Lori Garvey	Mr. Quincy Natay, MBA	Mrs. Brenda Thomas	Art Harding
Ms. Mary F. Gifford	Ms. Tina M. Norton	Mrs. Rose Whelihan	Jill Heikkila
Ms. Karen L. Havird	Mrs. Norma Pacheco	Mrs. K. Raechel Whitmer	Vicki Salazar
Mr. Ken Hicks	Mr. Kevin E. Price	Ms. Sandy Wilkins	Tina Shaw
Ms. Michele Kaye	Mrs. Linda A. Proctor-Downing	Mr. George Zeigler	Ruth Solomon
Dr. Gaye Leo	Mr. Michael D. Reed		Philip G. Williams

Agenda
(Lyle Friesen) Review/Approval of August 2006 Minutes (handout)
(Lyle Friesen) Prop 301 Funding – Deficit figures
(Art Heikkila) Audit Unit Update
Report from subcommittees: <ul style="list-style-type: none">Classroom Site Fund – Prop 301 funding shortfallConcurrent Enrollment – Enforcement of Withdrawals (Karen Havird)
Call to the Audience
Adjournment

Next Meeting: Monday, December 11, 2006
1:00 – 4:00 pm

Location: Arizona State Capitol
Executive Tower Building
2nd Floor Conference Room
1700 West Washington
Phoenix, AZ 85007

Estimated Distribution Date of October 2006 Meeting Minutes: November 20, 2006

School Finance Advisory Committee Meeting

Monday, August 28, 2006

Subject / Name	Issue	Suggestions / Resolution
Minutes Review	No corrections were made to the minutes.	
School Finance Beacon	Jill asked for comments on the Beacon. Sandy enjoyed the Philipsophicals section. Karen said that she thought School Finance did a good job with the newsletter.	
Prop 301	<p>Sandy stated that school districts did not receive all their 301 monies. She spoke to a JLBC representative. Sandy would like to have SFAC bring forward this situation to the legislature for this year. Peoria USD currently has a \$1.9 million shortfall due to prior years not being paid at 100%. Lyle stated that there is no provision to build a catch up. We can make a catch up payment if there is more money than the per pupil amount. Karen stated that 2005/06 allocation was set at \$343 for budget adoption, revised to \$326 and finally paid at \$320. If there is additional revenue, Lyle and Lori are working with Steve from JLBC to possibly make up the payments to the LEAs. Any deficit would be considered when the rate is set by the JLBC for two years after the current fiscal year of the deficit.</p> <p>Brian Mee stated that it would appear as a teacher cut if in the current fiscal year we lessen the amount to say \$300 in order to catch up prior years. Rather, it would be better to keep the allocation at the same amount to make up the shortage.</p> <p>Lyle would like to see us make 12 payments in one year rather than two payments behind. Phil recommends that we separate the two issues so that if one doesn't pass, the other isn't stuck.</p>	<ol style="list-style-type: none"> 1. A subcommittee was formed and Sandy will head the subcommittee; George Zigler and Karen Havird will also participate on the committee. The subcommittee should form 2 – 3 recommendations; should include language to have all payments made within the FY that the money comes in. 2. Lyle stated that we will get everyone the current deficit number for all districts.
12 vs. 10 APOR Payments	Brian Mee suggests that the committee look further into determining why districts are not paid in August and November. Is this practice still pertinent?	Lyle agreed to look into this and Jill will remind him about it.
Request for Standing Subcommittee for SAIS Policy Decisions	Rather than a subcommittee, Scott Little stated that he would be satisfied with being able to publicly comment on proposed policy. The committee as a whole seemed satisfied with the Informal Guidance Letters.	As ADE School Facilities considers a policy change, they wil bring the item to SFAC and allow time for them to gather input from their SAIS users.
Concurrent Enrollment	Phil suggests the next step is for School Finance to incorporate the subcommittee's recommendation into the revised concurrency rules. Phil asked if the subcommittee would like to revisit the recommendation to include anything further. The subcommittee agreed to revisit it. Teddy suggested that the revised recommendation include discussion of Summer Withdrawal.	Rose or Karen will send any revisions to the Concurrent Enrollment subcommittee recommendation to Jill so that she may distribute it to the School Finance committee that is looking into revising the concurrency rules.
Auditable ADM	Art Heikkila introduced himself as the new Audit Manager and discussed the direction of the Audit Shop.	

School Finance Advisory Committee Meeting Monday, August 28, 2006

Call to the Audience	<ul style="list-style-type: none"> Regarding FDK, George suggested to Chuck Essigs at AASBO that LEAs get fully funded on the capital side, even if they are funded on the M&O side. George wanted to know why Grants Management isn't under School Finance. George asked SFAC if other districts experienced an increase in Title I paperwork requirements. Brian Mee asked that we raise the priority about Excused vs. Unexcused absences. Brian Mee asked that the Capital Growth subcommittee recommendation be brought to Superintendent's Horne's FY08 agenda. 	<ol style="list-style-type: none"> George suggested to the committee to request at AASBO and other groups to request full funding for FDK capital. Brian will send the capital recommendation to Jill and Jill will send it to SFAC. Jill needs to look at the absence approvals to determine when a district and/or charter is paid off the adjusted ADM.
Next Meeting	Monday, October 16, 2006	Arizona State Capitol Executive Tower Building 2nd Floor Conference Room 1700 West Washington Phoenix, AZ 85007

Action Items / Commitments	
Jill Heikkila	<ul style="list-style-type: none"> Distribute the Concurrent Enrollment subcommittee recommendation to the School Finance committee that is looking into revising the concurrency rules. Send Capital Funding subcommittee recommendation to SFAC after receiving from Brain. Look at the absence approvals to determine when a district and/or charter is paid off the adjusted ADM.
Rose Whelihan and/or Karen Havird	<ul style="list-style-type: none"> Rose or Karen will send any revisions of the Concurrent Enrollment subcommittee recommendation to Jill so that she may distribute it to the School Finance committee that is looking into revising the concurrency rules.
Prop 301 Subcommittee	<ul style="list-style-type: none"> Sandy Wilkins will head the newly formed Prop 301 subcommittee; George Zigler and Karen Havird will also participate on the committee. The subcommittee should form 2 – 3 recommendations; should include language to have all payments made within the fiscal year that the money comes in.
Brian Mee	<ul style="list-style-type: none"> Brian will send the Capital Funding subcommittee recommendation to Jill.
Lyle Friesen	<ul style="list-style-type: none"> Obtain the deficit numbers for Prop 301 (Jill will send out to SFAC.) Look into 12 APOR payments rather than the current 10 payments.
LEA SFAC Members	<ul style="list-style-type: none"> George suggested to the committee to request at AASBO and other groups to request full funding for FDK.

School Finance Advisory Committee Meeting

Monday, August 28, 2006

Members in Attendance

Members			ADE Staff
Patricia Beatty	Scott Little	Tina Norton	Teddy Dumlao
Lori Garvey	Lucia Marrufo	Brenda Thomas	Lyle Friesen
Angela Germinaro	Brian Mee	Rose Whelihan	Dolores Gerritse
Karen L. Havird	Montie Morris	Sandy Wilkins	Art Heikkila
Michele Kaye	Linda Munk	George Zeigler	Jill Heikkila
			Phil Williams

Acronyms

AASBO	Arizona Association of School Business Officials	M&O	Maintenance and Operation Fund
ADE	Arizona Department of Education	NAVIT	Northern Arizona Vocation Institute of Technology
ADM	Average Daily Membership	RTC	Regional Training Center
AFR	Annual Financial Reports	SAN	Storage Area Network
AG	Auditor General	SDAR	Student Detail Activity Report
CCD	Common Core Data	SDER	School District Employee Report
CEC	Certificate of Education Convenience	SF	School Finance
CSF	Classroom Site Fund	SFAC	School Finance Advisory Committee
EVIT	East Valley Institute of Technology	SFB	School Finance Board
IRR	Instructions for Required Reports	SMS	Student Management System
JTED	Joint Technological Education District	USFR	Uniform System of Financial Records
LEA	Local Education Agency		